

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Arbitration - Suits – Settlement of Arbitration Award in respect of the work Earth Work excavation of N.S.P. Canal 21st Main Branch Canal from Km.49/0 to 50/0 under Agreement No.10(SE)K/77-78, dated 07.12.1977 with Sri P. Venkateswara Babu, Managing Partner, M/s.International Constructions Company for an amount of Rs.35.00 lakhs as full and final settlement – Sanction – Orders – Issued.

IRRIGATION & C.A.D. (ARB.) DEPARTMENT.

G.O.(Ms.No. 229

Dated the 3rd August, 2009.

Read the following:-

1. From Sri P.Venkateswara Babu, Managing Partner, M/s. International Constructions Company, Repn. Dt. 31-07-2007.
2. From the C.E., NSP, Hyderabad, Lr.No.CE/NSP/CO/Hyd/OT4/ATO/ARB/IC company/1383, dated 22-10-2007 & 12-08-2008.
3. Govt.Memo.No.23092/ARB/07, I & CAD (ARB) Dept., dt. 01-02-2008.
4. From the ENC (A.W./I.W.), Hyd., Lr.No.ENC/IW/P&M/EE.I/DEE.8/300108/08-1, dt. 04-06-2008.

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ORDER:

Sri P.Venkateswara Babu, Managing Partner, International Construction Company, Kakinada in the reference first read above, has stated that during the execution of the subject work, certain disputes have arisen between the Dept. and him and those were referred to the panel of Arbitrators. The Panel of Arbitrators made and signed their award on 17-05-1984. The Dept. filed O.P. No.197/1984 to set aside the award whereas the Arbitrators filed O.S.No.995/84 on the file of II Senior Civil Judge, City Civil Court, Hyderabad. By a common order dated 13-02-1995, the Hon'ble Court made the award rule of Court and passed a decree in terms of the award and dismissed the O.P. filed by the Department. Aggrieved by this, the Department has filed C.R.P. No.1410/98 (against O.S.No.995/84) and C.M.A.No.142/99 (against O.P. No.197/84) before the Hon'ble High Court. The Hon'ble High Court in its common order dated 16-07-2007, while disposing of the cases has directed the respondents to approach by filing an appropriate comprehensive representation before the Prl.Secretary and on filing of which the same Government in I & CAD Dept., shall hear both sides after giving notice and make an effort to conciliate to settle the claims. He has therefore requested to convene a meeting for settlement of the award amount.

2. In compliance to the directions of the Hon'ble High Court in C.R.P.No.1410 of 1998 and C.M.A.No.142 of 1999, dated 16-07-2007 and based on the representation of Sri P.Venkateswara Babu, Managing Partner, International Construction. Company, Kakinada and as per the report of the Chief Engineer, N.S.P., Hyderabad, in the Govt. Memo. third read above, the matter has been referred to the Conciliation Committee for Telangana Region for amicable settlement of the case.

3. The Engineer-in-Chief (AW), Hyderabad in the letter fourth read above, has furnished the report of the conciliation Committee for Telanagana Region, wherein, the Committee in its report dt.21-05-2008, after the negotiation with the Contractor, has recommended for an amount of Rs. 36,45,627/- as full and final settlement of the case.

4. In compliance to the directions of the Hon'ble High Court in C.R.P. No.1410 of 1998 and C.M.A.No.142 of 1999, dt.16-07-2007, the Prl.Secy. to Govt. I & CAD Department has conducted final conciliation with the contractor on 26-06-2008 and finally agreed to accept an amount of Rs.35,00,000/- as full

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and final settlement of the case. Accordingly, the Contractor has furnished a notarized affidavit in this regard and he has also declared that he will withdraw all his legal proceedings in respect of the subject work against the Government of Andhra Pradesh or its representative officer, if the above amount Rs.35,00,000/- paid to him in token settlement of the arbitration claims pending in the courts.

5. After careful examination of the matter, Government hereby sanction an amount of Rs.35,00,000/- (Rupees thirty five lakhs only) towards full and final settlement payable to Sri P.Venkateswara Babu, Managing Partner, M/s. International Constructions Company, in respect of the Earth Work excavation of N.S.P. Canal 21st Main Branch Canal from Km.49/0 to 50/0 awarded to M/s.International Constructions Company under Agreement No.10(SE)/K/77-78, dated 07.12.1977.

6. The above sanctioned amount shall be debited to the following Head of Account:

"MH 2701 - M&MI* - 01 MIC - MH -101 - NSP - GH - 11 - N.S.Plan, SH 27 C&D - 530 Major works - 531 - Other expenditure".

7. The Chief Engineer, Nagarjuna Sagar Project, I & CAD Department, Hyderabad, is directed to arrange to pay the amount sanctioned at para (5) above, to Sri P.Venkateswara Babu, Managing Partner, International Construction Company, Kakinada, duly deducting the amounts that are recoverable on whatsoever account.

8. This order issues with the concurrence of Finance (W&P) Dept. vide their [U.O.No.2556/F2\(1\)/09-1](#), dated 16-07-2009.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.P.TUCKER,
PRINCIPAL SECRETARY TO GOVERNMENT.

To

The Chief Engineer NSP., I & CAD Department, Camp Office:
Jalasoudha, Errummanzil, Hyderabad.

The Pay & Accounts Officer, Hyderabad.

The Director of Works Accounts, A.P., Hyderabad.

The Joint Director, Works Accounts, Vijayawada.

The Assistant Pay and Accounts Officer, Vijayawada.

Sri P.Venkateswara Babu, Managing Partner,
International Construction Company, Kakinada.

Copy to:

The Engineer-in-Chief (A.W./I.W.), I&CAD Department, Jalasoudha Building,
Errum Manzil, Hyderabad

The I&CAD (P&B) Department.

The Finance(W&P) Department. (with a request to release LOC for the
sanctioned amount).

The Accountant-General of Andhra Pradesh, Hyderabad.

The Advocate-General, High Court of A.P., Hyderabad.

SF/SC.

// FORWARDED :: BY ORDER //

SECTION OFFICER.